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GOVERNOR

STATE OF MICHIGAN
TALENT INVESTMENT AGENCY
UNEMPLOYMENT INSURANCE AGENCY
SHARON MOFFETT-MASSEY, UIA DIRECTOR

STEPHANIE COMAI
DIRECTOR

July 27, 2015

Dear Employers:

I'm pleased to announce some good news regarding Michigan's Taxable Wage Base (TWB).

Beginning with the third quarter of 2015, the TWB - the maximum annual wage on which an employer must pay unemployment taxes – will be lowered from the current rate of \$9,500 to \$9,000. This means that non-delinquent contributing employers will pay less in unemployment taxes for the upcoming quarters.

In 2011, measures were taken by Michigan's legislature that aimed to ensure adequate funding for the state Unemployment Trust Fund. The legislation specified that when the UI Trust Fund balance reaches \$2.5 billion, and is expected to remain there for two consecutive quarters, the TWB would automatically decrease to \$9,000. As of July 27, 2015, this condition has been met.

The new rate of \$9,000 will apply to all employers who pay unemployment taxes and who are not delinquent in the payment of unemployment contributions, penalties or interest. An employer is delinquent if on August 15th, the employer has an outstanding assessment for an unpaid balance of at least \$25.

Attached are questions and answers which will provide you with more information about the decrease in the Taxable Wage Base. If you have any questions, please contact the UIA's Office of Employer Ombudsman at 1-855-4-UIAOEO.

Thank you for your continued investment in the State of Michigan.

Sincerely,
Sharon Moffett-Massey, Director
Unemployment Insurance Agency